

**State of Vermont: Extension of Pharmacy Benefits**

**Table 1: Projected Enrollment**

Eligible Group	Adults <225%	Adults 225- 300	Medicare Beneficiaries 175-225	Medicare Beneficiaries 225-400	Total
Number of Individuals	148,696	65,982			
Percentage with Private Coverage	55.7%	84.3%			
Percentage with Priv. & Medicaid Coverage	12.0%	2.0%			
Percentage of Private w/o Rx Benefit	14.4%	14.4%			
Covered Individuals w/o Rx Benefit	10,502	7,850			
Estimated Uninsured & Ineligible for XIX/VHAP	4,923	9,034			
Number without Pharmacy Coverage	14,986	16,347	6,800	25,299	63,432
Projected Participation Rate					
CY 2003	20.0%	20.0%	50.0%	25.0%	
CY 2004	25.0%	25.0%	55.0%	27.5%	
CY 2005	30.0%	30.0%	60.0%	30.0%	
Projected Average Enrollment					
CY 2003	2,997	3,269	3,400	6,325	15,991
CY 2004	3,747	4,087	3,740	6,957	18,530
CY 2005	4,496	4,904	4,080	7,590	21,070

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**Table 2: Benefit Design and Costs**

Income: Percentage of Federal Poverty Level	Adults <225%	Adults 225- 300	Medicare Beneficiaries 175-225	Medicare Beneficiaries 225-400	Total
Copayment	78.5%	78.5%	53.6%	78.5%	
Base Benefit Cost per Member per Month	\$ 20.70	\$ 20.70	\$ 164.72	\$ 164.72	
Selection Factor	1.15	1.15	1.20	1.20	
Base Benefit, Adjusted for Selection	\$ 23.81	\$ 23.81	\$ 197.66	\$ 197.66	
Annual Inflation Rate	16%	16%	16%	16%	
Total Benefit Cost per Member per Month					
CY 2003	\$ 27.61	\$ 27.61	\$ 229.29	\$ 229.29	
CY 2004	\$ 32.03	\$ 32.03	\$ 265.98	\$ 265.98	
CY 2005	\$ 37.16	\$ 37.16	\$ 308.53	\$ 308.53	
Drug Rebates					
CY 2003	20.0%	20.0%	20.0%	20.0%	
CY 2004	20.0%	20.0%	20.0%	20.0%	
CY 2005	20.0%	20.0%	20.0%	20.0%	
State/Federal Subsidy					
CY 2003	2.0%	2.0%	26.9%	2.0%	
CY 2004	2.0%	2.0%	26.9%	2.0%	
CY 2005	2.0%	2.0%	26.9%	2.0%	
Less Administrative Fee					
CY 2003	-0.5%	-0.5%	-0.5%	-0.5%	
CY 2004	-0.5%	-0.5%	-0.5%	-0.5%	
CY 2005	-0.5%	-0.5%	-0.5%	-0.5%	
State/Federal Cost per Member per Month					
CY 2003	\$ 0.55	\$ 0.55	\$ 61.68	\$ 4.59	
CY 2004	\$ 0.64	\$ 0.64	\$ 71.55	\$ 5.32	
CY 2005	\$ 0.74	\$ 0.74	\$ 83.00	\$ 6.17	
State/Federal Expenditures					
CY 2003	\$ 19,863	\$ 21,667	\$ 2,516,509	\$ 348,049	\$ 2,906,088
CY 2004	\$ 28,802	\$ 31,418	\$ 3,211,065	\$ 444,111	\$ 3,715,395
CY 2005	\$ 40,092	\$ 43,733	\$ 4,063,457	\$ 562,002	\$ 4,709,284